



EUROPEAN COMMISSION

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**COMMISSION DECISION**

**of**

**on the financing of humanitarian actions in the Northern Caucasus from the general  
budget of the European Union  
(ECHO/-EE/BUD/2010/01000)**

## COMMISSION DECISION

of

### **on the financing of humanitarian actions in the Northern Caucasus from the general budget of the European Union (ECHO/-EE/BUD/2010/01000)**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No.1257/96 of 20 June 1996 concerning humanitarian aid <sup>1</sup>, and in particular Article 2 and Article 15(3) thereof;

Whereas:

- (1) The Chechnya conflict has led to an outflow of internally displaced persons (IDPs) into the neighbouring autonomous republics of the Russian Federation. Today, most IDPs have returned to Chechnya but the neighbouring republics of Ingushetia and Dagestan still host IDPs and thousands of returnees continue to be displaced within Chechnya waiting for the reconstruction of their homes. Besides there are still displaced people, including refugees, in the region at large, especially in Azerbaijan.
- (2) In the last three years, and in particular since mid-2009, violence has dramatically increased and has spread to the republics of Dagestan and Ingushetia where shootings and bombings are registered on a daily basis, putting civilians at risk and under enormous psychological stress;
- (3) In spite of the significant progress in the reconstruction of public infrastructure and housing, years of displacement and the persistently volatile security situation in the region have widely disrupted the state of law, the socio-economical infrastructure, medical services and agricultural production in large parts of Chechnya, Ingushetia and Dagestan. Thus, the most vulnerable groups of the population are still in need of multi-sectoral assistance.
- (4) To reach populations in need, humanitarian aid should be channelled through non-governmental Organisations (NGOs) and international organisations including United Nations (UN) agencies. Therefore the European Commission should implement the budget by direct centralised management or by joint management;
- (5) An assessment of the humanitarian situation has led to the conclusion that humanitarian aid actions should be financed by the European Union for a period of 12 months;

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<sup>1</sup> OJ L 163, 2.7.1996, p. 1.

- (6) For the purposes of this Decision, the Northern Caucasus republics involved are Chechnya, Ingushetia and Dagestan;
- (7) It is estimated that an amount of EUR 2,000,000 from budget article 23 02 01 of the general budget of the European Union is necessary to provide humanitarian assistance to over 45 000 displaced persons, taking into account the available budget, other donors' contributions and other factors. The activities covered by this Decision may be financed in full in accordance with Article 253 of the Implementing Rules of the Financial Regulation;
- (8) The present Decision constitutes a financing Decision within the meaning of Article 75 of the Financial Regulation (EC, Euratom) No 1605/2002<sup>2</sup>, Article 90 of the detailed rules for the implementation of the Financial Regulation determined by Regulation (EC, Euratom) No 2342/2002<sup>3</sup>, and Article 15 of the internal rules on the implementation of the general budget of the European Union<sup>4</sup>.

HAS DECIDED AS FOLLOWS:

#### *Article 1*

1. In accordance with the objectives and general principles of humanitarian aid, the Commission hereby approves a total amount of EUR 2,000,000 for the financing of humanitarian actions in the Northern Caucasus from budget article 23 02 01 of the 2010 general budget of the European Union.
2. In accordance with Article 2 of Council Regulation No.1257/96, the principal objective of this Decision is to provide humanitarian assistance and protection to the victims of the Chechen conflict in the Northern Caucasus. The humanitarian actions shall be implemented in pursuance of the following specific objective:
  - to improve the humanitarian situation of vulnerable populations affected by the Chechen conflict by providing integrated assistance.

The full amount of this Decision is allocated to this specific objective.

#### *Article 2*

1. The period for the implementation of the actions financed under this Decision shall start on 1st October 2010 and shall run for 12 months. Eligible expenditure shall be committed during the implementing period of the Decision.
2. If the implementation of individual actions is suspended owing to force majeure or other exceptional circumstances, the period of suspension shall not be taken into account in the implementing period of the Decision in respect of the action suspended.

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<sup>2</sup> OJ L 248, 16.9.2002, p.1.

<sup>3</sup> OJ L 357, 31.12.2002, , p.1.

<sup>4</sup> Commission Decision of 5.3.2008, C/2008/773

3. In accordance with the contractual provisions ruling the Agreements financed under this Decision, the Commission may consider eligible those costs arising and incurred after the end of the implementing period of the action which are necessary for its winding-up.
4. The Authorising Officer may, where this is justified by the humanitarian situation, extend the duration of the Decision for a maximum of 6 months provided that the total duration of the Decision does not exceed 18 months, in accordance with Article 90.4 of the Implementing Rules of the Financial Regulation.

### *Article 3*

1. In accordance with Article 253 of the Implementing Rules and having regard to the urgency of the action, the availability of other donors and other relevant operational circumstances, funds under this Decision may finance humanitarian actions in full.
2. Actions supported by this Decision will be implemented either by non-profit-making organisations which fulfil the eligibility and suitability criteria established in Article 7 of Council Regulation (EC) No 1257/96 or by international organisations.
3. The Commission shall implement the budget
4. either by direct centralised management with non-governmental organisations
5. or by joint management with international organisations that are signatories to the Framework Partnership Agreements (FPA) or the Financial Administrative Framework Agreement with the UN (FAFA) and which were subject to the four pillar assessment in line with Article 53d of the Financial Regulation.

### *Article 4*

This Decision will take effect on the date of its adoption.

Done at Brussels

*For the Commission*  
*Peter Zangl*  
*Director-General*



## **Humanitarian Aid Decision 23 02 01**

**Title:** Commission Decision on the financing of humanitarian actions in the Northern Caucasus from the General Budget of the European Union.

**Description:** Humanitarian aid for the victims of the Chechen conflict in Northern Caucasus.

**Location of action:** Northern Caucasus

**Amount of Decision:** EUR 2,000,000

**Decision reference number:** ECHO/-EE/BUD/2010/01000

### **Supporting document**

## **1 Humanitarian context, needs and risks**

### **1.1 Situation and context**

The armed conflicts in Chechnya in 1994-96 and 1999-2001 resulted in thousands of civilians killed, hundred of thousands wounded, over 270,000 Internally Displaced Persons ('IDPs') in neighbouring republics, over 100,000 refugees abroad, towns and villages leveled to the ground and the socio-economic infrastructure completely destroyed.

The situation started to stabilise in 2005 and currently most people displaced in Ingushetia have come back to Chechnya, although sometimes for a second displacement within Chechnya. Even if it is difficult to know exact figures, it is estimated that there are still some 30,000 IDPs in Chechnya, 8,000 IDPs left in Ingushetia, 3,800 IDPs in Dagestan and 1,300 refugees in Azerbaijan<sup>1</sup>. In addition, the number of war-affected vulnerable households within Chechnya who are still homeless and waiting for assistance to rebuild their houses stands at around 20,000.

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<sup>1</sup> Figures originating from the Danish Refugee Council.

While the material reconstruction of Chechnya has been a significant accomplishment, , the protection needs of the population are not being covered. Notwithstanding the end of the Counter Terrorism Operation regime in April 2009 and the Second Chechen War, there are reports that brutalities and disregard for the rule of law are on the increase.

As a matter of fact, terror attacks and armed clashes continue to occur on an almost daily basis in most North Caucasus autonomous republics, that is to say Northern Ossetia, Ingushetia, Dagestan and Chechnya, but now also in the traditionally quieter republic of Kabardino-Balkaria. Disappearances and abductions remain a feature of life, with crime and corruption additional factors of instability. For ordinary citizens the situation is often likened to a civil war, not in fact dissimilar to the situation prevailing in 1999 when the Russian military intervention in Chechnya took place. The psychological strain for them is enormous, even if living conditions in some areas have undeniably improved.

Under present circumstances, it has not been possible to promote the voluntary return of IDPs in neighbouring republics nor refugees from abroad (around 100,000 are estimated to remain outside Russia, mostly in EU Member States).

## **1.2 Identified humanitarian needs**

Socio-economic improvements resulting from the reconstruction process are obvious, notably in Grozny and in the main cities of the Republic of Chechnya. As a result, humanitarian needs in many sectors have receded and authorities have partly taken over or are about to take over what the European Commission's Directorate-General for Humanitarian Aid and Civil Protection (DG ECHO) had been funding since the beginning of the conflict (water and sanitation, school feeding, food parcels for IDPs). DG ECHO has thus been able to phase out its support in the fields of water and sanitation, primary education, basic food aid and assistance to war surgery in hospitals, which corresponded to a 50% reduction in funding from 2007 to 2008. In 2010, DG ECHO will continue its phasing out by concentrating only on the remaining protection needs and by reducing the funding given in 2009 by 1/3.

DG ECHO strategy to exit from Chechnya by the end of 2010 had to be revised in view of the deterioration of the security situation and of the difficulties that the authorities are facing in their efforts to provide long-term solutions for the population still displaced. Therefore, there remains a role for DG ECHO to play in terms of supporting the capacity of humanitarian agencies in implementing their protection mandates and in providing shelter and livelihoods support for the most vulnerable people in what remains a largely lawless area. One more round of DG ECHO funding mainly focusing on protection activities would further protect the population of North Caucasus while seizing the opportunity to advocate follow-up through other EU instruments. By the end of the decision period, an assessment will be done to make sure that the most important needs have been covered.

The overall needs to be covered by this Decision shall be the Protection needs of the vulnerable population, including IDPs and returnees. It may encompass livelihood support and temporary shelter activities when it is deemed necessary to complement the principal objective of the Decision.

#### Protection

The need of the people to feel safe and the lack of access to civil rights and protection remain the main challenge to be faced. Breaches of basic human rights are frequent and even deteriorating. Bad governance and corruption is rampant and impairs access to social packages, pensions, employment benefits and compensations that the conflict-affected population is entitled to. Therefore, legal counselling is more than ever necessary to assist vulnerable population claiming their rights.

#### Livelihood support

The data collected during the 2009 United Nations World Food Programme (WFP) review exercise showed considerable improvement in local livelihoods. After withdrawal of food assistance, the population has applied four major living strategies – seeking employment (temporary, mainly in the booming construction sector), social transfers, reliance on agricultural home production and remittances from families/friends. Yet, about 20% of the population in Chechnya/Ingushetia remains truly food insecure. In this precarious environment, relief assistance still provides a safety net for the most vulnerable households. The underlying problem for this group of population is the lack of income and absence of income opportunities.

#### Shelter/infrastructure

Among the approximately 20,000 houses remaining damaged from the post-conflict estimate of 118,000, the most urgent shelter needs should target at those 8,000 IDPs still displaced in the region.

Living conditions in the temporary accommodations centres (TACs) in Grozny have only slightly improved with light rehabilitation works but are still crowded places with no safe water and lack of sanitation. Infrastructure (water network, electricity, gas connections, road systems) in the region is generally in poor condition with cash-strapped local government unable to repair or maintain it, and is particularly a problem in the mountainous villages of Chechnya where government assistance is very limited.

This Decision targets the vulnerable populations in Chechnya and the IDPs/returnees/refugees in the neighbouring regions/countries that still suffer from the consequences of the Chechen conflict.

### **1.3 Risk assessment and possible constraints**

Although progress has definitely been seen in the region in terms of sustained returns and gradual recovery from the various conflicts, especially the reconstruction of physical structures, there has been no sustainable economic growth which could serve yet as the basis for longer term recovery. The security environment has dramatically deteriorated since mid-2009. All republics of Northern Caucasus, in particular those covered by DG ECHO's programmes (Chechnya, Ingushetia and Dagestan), are now confronted with violent activities that might have consequences both in terms of basic needs for local populations and problems of access for humanitarian aid. Solutions are not being found to the displacement situations caused by past territorial disputes, with the risk of renewed conflicts.

In addition to security, the successful implementation of humanitarian programmes will depend upon access to Chechnya. While it had been significantly better in recent years, NGOs continue, randomly, to face difficulties to obtain visa and access permits to Chechnya.

## **2 Proposed DG ECHO response**

### **2.1 Rationale**

ECHO aims to intervene in the area of protection services granted to vulnerable populations, including IDPs and returnees, on the basis of the needs highlighted above under Chapter 1.2 in the following republics of Northern Caucasus: Chechnya, Ingushetia and Dagestan

### **2.2 Objectives**

- Principal objective: to provide humanitarian assistance and protection to the victims of the Chechen conflict in the Caucasus.
- Specific objective: to improve the humanitarian situation of vulnerable populations affected by the Chechen conflict by providing integrated assistance.

### **2.3 Components**

#### Protection

Protection activities will aim at providing legal counselling and assistance for the local population and in particular IDPs and returnees in Chechnya, Ingushetia and Dagestan (as an example, the United Nations High Commissioner for Refugees (UNHCR) provides around 10000 consultations a year), notably for issues linked to housing compensation, voluntary return or arbitrary de-registration, court support, disappearances, missing people, access to health and education services and monitoring of guidance to returnees from abroad.

In the frame of the above Protection activities, livelihood support activities and the construction of temporary shelters will be provided to IDPs, refugees and returnees exclusively.



### Livelihood support activities

In response to the high unemployment and lack of income opportunities, livelihood support activities will provide support to the vulnerable populations to improve their livelihoods, to stimulate their self reliance and to help them becoming independent of humanitarian relief assistance. This support will mainly target the most vulnerable households and IDPs, which do not receive compensation from the State or which are returning to their homes. Several types of support (financial aid for medical treatment, for school support, for housing...) could be given depending on the vulnerability of beneficiaries and their skills (for instance: agriculture project, livestock, trade, crafts, etc...).

### Temporary Shelters

Considering the existing needs and the rehabilitation efforts achieved by the Chechen government, DG ECHO action in this sector should focus on villages where return is still limited. Funding will be targeted at building temporary shelters for IDPs returning to their initial places of living. Priority will be given to IDP families forced to leave temporary settlements/TACs and to move to permanent places.

## **2.4 Complementarity and coordination with other EU services, donors and institutions**

Recovery and rehabilitation in the aftermath of a long armed-struggle is a major challenge. Thus, DG ECHO will ensure that humanitarian aid will work together with other development instruments and other foreign donors so as to achieve better Linkage between Relief, Rehabilitation and Development.

## **2.5 Duration**

The duration for the implementation of the Decision shall be 12 months.

Humanitarian actions funded by the Decision must be implemented within this period.

Expenditure under the Decision shall be eligible from 1 October 2010 so as to cover activities implemented by the two partner organisations.

Starting Date: 1 October 2010.

If the implementation of the actions envisaged in this Decision is suspended due to *force majeure* or any comparable circumstance, the period of suspension will not be taken into account for the calculation of the duration of the humanitarian aid actions.

Depending on the evolution of the situation in the field, the Commission reserves the right to terminate the agreements signed with the implementing humanitarian organisations where the suspension of activities is for a period of more than one third of the total planned duration of the action. In this respect, the procedure established in the general conditions of the specific agreement will be applied.

### **3 Evaluation**

Under Article 18 of Council Regulation (EC) No.1257/96 of 20 June 1996 regarding humanitarian aid, the Commission is required to "regularly assess humanitarian aid actions financed by the European Union in order to establish whether aid actions have achieved their objectives and to produce guidelines for improving the effectiveness of subsequent actions." These evaluations are structured and organised in overarching and cross cutting issues forming part of DG ECHO's Annual Strategy such as child-related issues, the security of relief workers, respect for human rights, gender, etc... Each year, an indicative Evaluation Programme is established. This programme is flexible and can be adapted to include evaluations not foreseen in the initial programme, in response to particular events or changing circumstances. More information can be obtained at:

[http://ec.europa.eu/echo/policies/evaluation/introduction\\_en.htm](http://ec.europa.eu/echo/policies/evaluation/introduction_en.htm)

### **4 Management Issues**

Humanitarian aid actions funded by the European Union are implemented by NGOs and the Red Cross National Societies on the basis of Framework Partnership Agreements (FPA), by Specialised Agencies of the Member States and by United Nations agencies based on the Financial Administrative Framework Agreement with the UN (FAFA) in conformity with Article 163 of the Implementing Rules of the Financial Regulation. These Framework agreements define the criteria for attributing grant agreements and financing agreements in accordance with Article 90 of the Implementing Rules and may be found at [http://ec.europa.eu/echo/about/actors/partners\\_en.htm](http://ec.europa.eu/echo/about/actors/partners_en.htm).

For NGOs, Specialised Agencies of the Member States, Red Cross National Societies and international organisations not complying with the requirements set up in the Financial Regulation applicable to the general budget of the European Union for joint management, actions will be managed by direct centralised management.

For international organisations identified as potential partners for implementing the Decision, actions will be managed under joint management.

Individual grants are awarded on the basis of the criteria enumerated in Article 7.2 of the Humanitarian Aid Regulation, such as the technical and financial capacity, readiness and experience, and results of previous interventions.

## **5 Annexes**

Annex 1 – Summary decision matrix.

Annex 2 – List of previous European Commission decisions in Northern Caucasus.

Annex 3 – Overview table of the humanitarian donor contributions.

***Annex 1 - Summary decision matrix (table).***

<b>Principal objective:</b> to provide humanitarian assistance and protection to the victims of the Chechen conflict in the Northern Caucasus.				
<b>Specific objectives</b>	<b>Allocated amount by specific objective (EUR)</b>	<b>Geographical area of operation</b>	<b>Activities</b>	<b>Potential partners<sup>2</sup></b>
To improve the humanitarian situation of vulnerable populations affected by the Chechen conflict by providing integrated assistance.	2,000,000	Chechnya, Ingushetia, Dagestan,.	Protection activities including <i>inter alia</i> field monitoring, legal assistance, individual protection, cash support, temporary shelter and livelihood.	<u>Direct centralised management</u> - DRC <u>Joint management</u> - UNHCR
<b>TOTAL</b>	2,000,000			

<sup>2</sup> DANSK FLYGTNINGEHJÆLP, UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES – BELGIUM.

***Annex 2 - List of previous European Commission decisions for Northern Caucasus.***

<b>List of previous European Commission decisions for Northern Caucasus</b>				
<b>Decision Number</b>	<b>Decision Type</b>	<b>2007</b> EUR	<b>2008</b> EUR	<b>2009</b> EUR
TACIS/2005/017-686	TACIS NAP	20,000,000 **		
EE/BUD/2007/01000	Global Plan	17,500,000		
EE/-FA/BUD/2007/01000 *	Non Emergency	1,200,000		
EE/-FA/BUD/2007/02000 *	Non Emergency	2,107,118		
EE/BUD/2008/01000 *	Global Plan		11,000,000	
EE/BUD/2009/01000	Ad Hoc			6,000,000
<b>Subtotal</b>		40,807,118	11,000,000	6,000,000
<b>TOTAL</b>		57,807,118		

Date : 10/11/2010

Source : HOPE

(\*) decisions with more than one country.

(\*\*) FAs signed in 2006 and 2008, as the Russian Federation refused to countersign any FA in 2007.

*Annex 3 - Overview table of the humanitarian donor contributions.*

Donors in Northern Caucasus over the last 12 months			
1. EU Member States (*)		2. European Commission	
	EUR		EUR
Czech Republic	200,000	DG ECHO	6,000,000
Lithuania	72,935		
<b>Subtotal</b>	272,935	<b>Subtotal</b>	6,000,000
<b>TOTAL</b>	6,272,935		

Date : 10/11/2010

(\*) Source: DG ECHO 14 Points reports. <https://webgate.ec.europa.eu/hac>

Empty cells: no information or no contribution.